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INSTITUTE OF COMMONWEALTH STUDIES**VOICE FILE NAME: COHP Indrajit Coomaraswamy**Key:**SO: Dr Sue Onslow (Interviewer)**

IC: Dr Indrajit Coomaraswamy (Respondent)

SO: This is Dr Sue Onslow talking to Dr Indrajit Coomaraswamy at Senate House on 23rd September, 2014. Indrajit, thank you very much indeed for coming into Senate House to talk to us about this project. I wondered if you could begin, please, by saying how you came to join the Secretariat in 1990, after your secondment to the Ministry of Finance from the Central Bank of Sri Lanka.

IC: First, let me thank you, Sue, for giving me this chance to try to tell you my story. I was pretty familiar with the Commonwealth before I was recruited because I had attended, I think, about seven or eight Commonwealth Finance Ministers Meetings as part of the Sri Lankan delegation. In fact, the very first one was in 1981, when Sir Geoffrey Howe was Chancellor, and it was in London. He hosted it.

From 1981 to 1988, I was a member of the Sri Lanka delegation to each successive Finance Ministers Meeting, or 'FMM'. It was very useful for us in Sri Lanka. I was involved in preparing speaking notes and briefing material for the Sri Lankan delegation, not only for the Commonwealth Finance Ministers Meeting but also for the IMF/World Bank Annual Meetings, the Spring Meetings and the Asian Development Bank Annual Meetings. We were also expected to service our Executive Directors on policy issues in these institutions. In this connection, the background papers prepared for the Commonwealth Finance Ministers Meetings were very useful because, clearly – I think Dr Vishnu Persaud would have told you – their orientation was very much from the perspective of developing countries. At that time, outside UNCTAD, there was very little analytical work that was being done from the perspective of the global South, particularly on issues related to the international financial institutions. So, the material prepared by ComSec was extremely useful. Another thing I remember about that time was that it was the heyday of the New International Economic Order. ComSec work helped to strengthen the negotiating hand of the developing countries.

SO: When you spoke at the post-CHOGM meeting in Cambridge in January this year, you made reference to the tremendous fight between the NIEO and the Western institutions.

IC: Very much so. I think that as the junior member of the Sri Lankan delegation, I was sent off to sit through the night [*Laughter*] and work on the Communiqué Drafting Committee, the Committee of the Whole. These sessions were quite exciting in those days, because you had polarised positions. However, we had a wonderful chair in Sir Peter Marshall with all his expertise, experience and charm, and it needed all of that to keep the show on the road. But despite all the contestation, what characterised those times was that we all knew that, in the end, we were not going to get what we wanted, all of what we wanted, when we sat around that table. I think everybody was conscious of that. So, there was a compulsion to eventually agree on something. And, of course, there were times it became a 'lowest common denominator' position, which was somewhat frustrating but it did mean that the Commonwealth was able to operate through consensus. The Commonwealth was one of the few institutions where the small states of the Pacific and the Caribbean – who are seldom heard at international fora – had an important voice. In the end, there was agreement on some language even on the most contentious issues. During the years from 1981 to '88, despite all the debate and quite heated discussion that went on, I don't recall a single occasion where language in square brackets was sent to the Ministers.

SO: What do you mean by 'square brackets'?

IC: Meaning there was a lack of agreement and you had two or more formulations which would go up to the Ministers who would then try to decide. But even at the officials' level, I think there was an awareness of the spirit of the Commonwealth: that this was an association which operated by consensus and that we needed to get to a common position. It meant that we went slower than each side – the different sides – would have liked, but usually we made some progress. One should also point out that, invariably, there was at least one progressive government in one of the developed member countries – in the UK or Canada or Australia [*Laughter*] – and they would help to shift the agenda a little bit in the right direction.

SO: Well, this was the era, of course, of 'Thatcherism' – economic liberalisation and financial rectitude – and the associated debate over structural adjustment.

IC: Yes, and I'll come to that later. You are right; it was. To continue [with] the point I was making, there were times when there was a progressive government in the developed Commonwealth which took a sympathetic view on key development challenges – for example, when Keating was the Finance Minister in Australia, Paul Martin in Canada or Gordon Brown was the Chancellor of the Exchequer in the UK. So, there were progressive elements within the developed Commonwealth as well, and so we were able to find consensus and that's why it's a little concerning, as I said at that Round Table panel, that we don't seem to pay as much attention or attach as much priority as at that time to somehow agree on something which everybody could live with. Things have become more fundamentally contentious.

But to answer to your question, yes, those debates were very interesting. I found the background papers extremely useful for our work in Sri Lanka. We worked on international issues maybe five or six weeks in the year. As a result, to have this material – which had distilled all the crucial arguments of the day and had a perspective which was largely from the perspective of the developing countries – was tremendously useful.

If I may continue the story as to how I joined ComSec. When things in Sri Lanka became more difficult, I was actually reluctant to leave because my work was so interesting, but Tara, my wife, had come to the University of Sussex to present her PhD and she saw this advertisement and said, “Look, we’ve got kids now and Sri Lanka is becoming increasingly unstable. We need to look for another base.” So, I applied for a job in the Economic Affairs Division. One of the things that I remembered was something that Vishnu Persaud told me while I was still working in Sri Lanka. He said, “You know, the Economic Affairs Division tries to operate as a poor countries’ OECD. We have tried to play the role that the OECD does for the advanced countries by providing intellectual input and analysis from a developing country perspective.”

So, that struck a chord with me, because there was a job in the World Bank which I could have pursued but it was, as you have pointed out, the heyday of the Washington Consensus and the Reagan/Thatcher philosophy. So, the Bank was in a different place to the Secretariat, certainly. As a result, the Secretariat was the more attractive proposition. Also, I had been at school and university in the UK and Tara had been at University here and so this was an environment we were more familiar with and which we liked. The prospect of living in London was also a factor. So, all those things came into play and I had a go at the recruitment process. That’s how I joined. One could say a major reason for joining the Secretariat was that it had a contrarian view during the halcyon days of the Washington Consensus.

SO: When you joined the Secretariat in 1990, what position did you occupy?

IC: I was a Chief Officer, Economics, in the International Finance and Capital Markets Section. Dr Persaud was the Director and Dr SK Rao was my boss, as the Assistant Director. Working with them was a great learning experience.

SO: So, you were joining a division in which the other members had been there for a considerable length of time, so there was an extent of institutional knowledge, a wealth of experience, both implicit and explicit.

IC: Yes, and for a short time, Dr Vince Cable was there. He left about a year or eighteen months after I joined. It was a very strong team. Dr Rao, my supervisor, was extremely knowledgeable and competent. He was also highly committed to the values of the Commonwealth.

SO: So, a strong team, but also a well-established team with institutional knowledge.

IC: Absolutely.

SO: How well was EAD regarded outside the Secretariat by other institutions and organisations? You made reference to Vishnu Persaud feeling that its work should be comparable to the OECD's for developing countries, but how was it regarded outside by others? Was it given that status and that recognition?

IC: I think so. I recall talking to officials from member countries and the general sentiment was that this was one of the very few institutions which was undertaking serious analytical work on international economic issues from the perspective of developing countries. It was also taking a critical look at the Washington Consensus. ComSec didn't buy into that consensus. I remember... Again, I think this was Dr Persaud, he said, "You know, we're like the loyal opposition. We don't throw this, the Washington Consensus, out of the window, but we're there to critique and to contest, and to make sure that it works better for those countries that go to these institutions for assistance."

SO: So, what did your work involve in trying to ameliorate the 'rough side', shall we say, of the Washington Consensus? You have referred to work on economic analysis and debates, but were you also involved in work around Heavily Indebted Poor Countries, HIPC?

IC: Certainly, that came up. That was very much a part of the work, but even before that, the Secretariat did a lot of work on how to make these structural adjustment programmes – which were primarily focussed on stabilising those economies – work more appropriately. Often, countries had put in place expenditure streams based on revenues they collected from commodity taxes which were a major part of their revenue base. When prices fell, suddenly they were living beyond their means. But often they hadn't really spent anything more: it's just that the revenue side was collapsing. So, austerity measures, on their own, were insufficient. The Washington Consensus paid inadequate attention to the structural nature of the problems faced by these countries. The Secretariat did a lot of work to highlight this. It also focused on the aspects of the international trading and financial systems which were not development-friendly.

SO: And their tax structures were inherited, probably, from the colonial era – i.e., taxation predominantly on exported commodities, rather than domestic income or corporation tax?

IC: That was very much the case.

SO: The volatility, then, in their principal earning stream...

IC: Exactly. So, it was very difficult. People kept saying, "You know, you've got to tighten your belts. You're living beyond your means." Well, actually, not really. It was the volatility of commodity prices that was often causing these problems.

SO: One of the economists in the Fijian Ministry of Economic Planning, working on the Fiji Five Year Development Plan in 1980, mused to me afterwards that, "We got the price of sugar wrong."

IC: So, there you are, you see. So, it could be something like that. We were basically trying to say, "Look, you need to have a more holistic approach..."

At that time, the IMF was doing only short-term balance-of-payments support. We were saying, "No, this is a structural problem. It's not cyclical." You needed to change the structure of the economy; you needed to change the structure of the revenue base; all those kinds of more structural issues. These were the kind of debates in which ComSec provided good analytical work, such as how to make adjustment programmes more growth-oriented. And eventually, you got the Structural Adjustment Facility at the IMF and then the Enhanced Structural Adjustment Facility, followed by the Poverty Reduction and Growth Facility. The IMF eventually recognised it was not enough just to provide short-term balance-of-payments support.

SO: So, this was the focus of your work in the Economic Affairs Division?

IC: Certainly. The analysis done by the Economic Affairs Division contributed to the alternative narrative which eventually led to a change, because a lot of the Commonwealth developing countries essentially picked up on this and took it forward. Of course, the larger emerging market countries of this world would have done this themselves, and we had that as well. South Africa wasn't a member then, but some of the other countries with capacity would've done it independently. However, there was a large share of the membership which would have benefited. This was a very good example of the Economic Affairs Division operating as a loyal opposition and contributing to improving some outcomes.

SO: At that particular point in the early 1990s, the international system itself was in a huge state of flux with the end of the Cold War and the declared failure of state-centric development. As you say, the economic debates were dominated by the Washington Consensus, even though there was a loyal opposition arguing that there needed to be fundamental structural alterations to the system. As ComSec's work progressed in the 90s, did you at any point feel that Chief Emeka's emphasis, as the new Secretary General, on democracy was starting to overshadow an emphasis on development? I know that, in your mind, intellectually, the two run very much together, as they do with Chief Emeka himself. But I was wondering whether the narrative of the Commonwealth became one of democracy and democratization, rather than emphasising the prior parallel grand strategy of development.

IC: I think, probably, that transition was more in terms of form and the public face of the Commonwealth. In terms of the work of the Commonwealth, the shift was much less, because important development work went on at that time. However, what was more attractive to the outside world was the democratisation agenda and the engagement with South Africa. I think that was almost inevitable, particularly as there was transition in so many African countries. But at the same time, I think what got far less attention was the great deal of work undertaken on the development agenda.

You may recall that the 90s were known as a 'lost decade' for Africa on the development side. So, there was a lot of focus in the Commonwealth on Africa, trying to change the development outcomes in Africa. That work didn't get as much public attention, but the renaissance you're now seeing in many parts of Africa, the foundation of this was laid through reforms in the 90s. Of course, the IMF and the World Bank played a very major role – not always constructive. The Commonwealth certainly worked very hard, and here it was

not only the Economic Affairs Division. The Technical Assistance Divisions – in terms of capacity-building – also played an important role. The Secretariat's overall work programme in Africa on the development side played, I think, a role in putting in place the foundation for African revival.

SO: So, helping them get the macroeconomic environment right?

IC: Yes. Again, the IMF and the World Bank have done a lot of work as well. One should be careful about claiming too much for our role. But one hopes that... Certainly, talking to African officials, I think the Secretariat did play an important role in helping to strengthen their negotiating capacity. There were some seminars on negotiations with the Fund, particularly, and the Bank as well. I think the Technical Assistance Divisions built capacity in terms of public administration. All these things, I think, contributed to the change that you're now seeing in Africa. So, while the Commonwealth played an important role in democratisation, it was also doing quiet stuff on the development side which, I think, helped to put in place the prior conditions for the improvement that you are now seeing in many African countries.

SO: How much, though, do you think the Commonwealth in the 1990s – with transition to black majority rule in South Africa and with the focus on addressing problems of governance and democracy in Africa – became, inevitably, an African problem-solving institution in the public gaze, rather than emphasising the small states or South East Asian/South Asian dimensions of Commonwealth work? Were these issues as privileged in the attentions and energies of the Secretariat and the SG?

IC: I would say that the two constituencies which got the most attention were Africa and small states. I think the small states work also got considerable priority at that time. The middle-income Commonwealth developing countries – the Malaysias, the Singapores – clearly didn't need assistance. They went along perfectly well on their own. Where you could say we perhaps didn't do as much as in South Asia. When I finished my time at EAD – my time as Director of the EAD – I think I had to admit that we didn't do as much as we should have done in South Asia, because we were very focussed on small states and the 'Least Developed Countries'. There was a large representation of Commonwealth Africa in the LDC category. So, that's where a lot of the attention was paid, and I think that was okay because a lot of the need was there as well. Of course, the argument is made that South Asia has the largest number of poor people in the world by some distance and, therefore, perhaps we should have done more. But countries like India had a lot of capacity themselves. Even Sri Lanka has pretty reasonable capacity, and they had the ability to draw on resources from the major institutions. So, I think it was probably justifiable that the focus was on Africa and small states.

SO: It seems to me that there is a missing narrative – and it dates right back to the modern Commonwealth of 1965 – of 'India's place'.

IC: I know. India is rather disengaged, or has been disengaged. At times, it did engage, but by and large, I don't think the Indian foreign service rated the Commonwealth.

SO: Really?

- IC: I don't think so. That's the impression I got.
- SO: I should ask Amitav [Banerji]. [Laughter]**
- IC: Okay, you ask him that! Whether his colleagues in the foreign service [laughter]...
- SO: As the quintessential diplomat, I don't think Amitav would give you a reply. [Laughter]**
- IC: They're not instinctively pro-Commonwealth. They don't have much time for it, sadly. That's been my experience. I mean, they're always courteous: you go to Delhi and they will always meet you and help, but...
- SO: Do you feel that this is part of a political culture? Not just the bureaucratic culture of the Ministry of Foreign Affairs, but also reflective of the relative importance of the Commonwealth in the eyes of the Office of the Prime Minister?**
- IC: Probably. Dr Manmohan Singh understood the attributes that the Commonwealth had, but I'm not sure whether he was able to shift the needle. By that time, I think the view entrenched in the Indian system was that the Commonwealth was not very high up in their priorities. Which, in my view, was a mistake. For instance, in their competition with China in Africa, if they had used the Commonwealth networks more, they could have benefited.
- SO: As well as the Indian diaspora networks.**
- IC: As well as the Indian diaspora networks. They could've done a lot better. So, I think they missed an opportunity.
- SO: I'm often struck by the fact that it's referred to – wrongly – as the 'British Commonwealth'. There's certainly the wider British world, but there's also a wider Indian world within the Commonwealth.**
- IC: Of course. There is; very much so. Unlike India, I'll tell you who used the Commonwealth networks well, and that was Dr Mahathir. He had good links in South Africa. He also had good links with Jerry John Rawlings in Ghana, with Yoweri Museveni in Uganda, with Quett Masire in Botswana...
- SO: So, what was he using?**
- IC: The Commonwealth connections to pursue Malaysian commercial interests. Malaysian investment in South Africa was quite significant, and I'm not sure how much went into places like Ghana and to Botswana, to Uganda, but he did try to use that Commonwealth nexus.
- SO: In the 1990s, was Dr Mahathir seen as one of the pillars of the Commonwealth, or is that overstating his commitment?**
- IC: I think he understood the networks of the Commonwealth. He understood how the Commonwealth could be used as an asset better than leaders of larger, more wealthy Commonwealth countries. Malaysia's sponsorship of the

Commonwealth Partnership for Technology Management [cf. 'Smart Partnership'] was a reflection of this.

SO: It's interesting. I'm aware he made the decision to host a Commonwealth Heads of Government Meeting in Kuala Lumpur to demonstrate that Malaysia was capable of holding a major international conference and showcase its improvements in infrastructure and development.

IC: Absolutely.

SO: He then made the offer to host the XVI Commonwealth Games in Kuala Lumpur, again using this as a platform for national interest.

IC: Very much so. He understood that better than many.

SO: So, other Commonwealth leaders that you observed didn't seize that opportunity in quite the same way?

IC: No, they did not.

SO: You made reference to Dr Manmohan Singh being relatively committed to the Commonwealth, in contrast to others from a similar background in India. In your presentation you made in January to the Round Table, you referred to a group of Commonwealth experts chaired by Dr Manmohan Singh which explored the nexus between development and democracy. Were you involved in any way?

IC: I was the gopher, if you see what I mean. EAD serviced that group.

SO: So, where did the idea of the expert group emerge?

IC: Well, it emerged in Sir Don McKinnon's time. There was a debate within the Commonwealth family on the balance between development and democracy in its work. It came out of what you were implying in your earlier comments: [i.e.] did the Commonwealth get subsumed with work on democratisation, with development – which had had such a high profile in Sir Shridath Ramphal's time – did that go by the wayside? etc. That debate was going on because the developed members – perhaps because of the successes that the Commonwealth had had with its democratisation work – wanted to shift resources away from the development programmes. About two-thirds to 70% of the resources at that time were going to the development pillar of ComSec work, and they wanted to change that balance.

Of course, there was pushback from the developing Commonwealth. I think it was that debate which made Sir Don McKinnon and those around him come up with the idea of an expert group [Commonwealth Expert Group on Democracy and Development]. It was believed that we should explore this nexus between democracy and development. I'll tell you about my own experience. There were some who thought that the Asian authoritarian model was quite attractive until you reached a certain level of development: that there was a sequence whereby you had a strong centralised state which drove the development agenda, and the rights agenda took a back seat. Then, you reached a certain level of material advancement and automatically

the larger middle-class will want more rights. So, it's more of a sequential thing, rather than doing both at the same time.

So, there were these debates going on, and I think we wanted to see whether it could be done together. You know, why not move on both fronts? And that's the conclusion the group came to, because – you will see from the report, *Making Democracy Work for Pro-Poor Development* – you then tend to have a more inclusive development trajectory. You had a higher chance, better prospects, of achieving a more inclusive development process.

SO: But the problem comes with the expansion of mass politics.

IC: Yeah, exactly.

SO: As with democratization, there can be excessive calls on the capabilities of the state.

IC: That's what you have seen in many countries, as elections tend to become auctions of non-existent resources. [*Laughter*] This is what Lee Kuan Yew said of the Sri Lankan elections.

SO: Which becomes increasingly problematic where there is politicised ethnicity?

IC: Yeah, then it becomes even more difficult. This was, of course, Lee Kuan Yew's main argument for the model that he adopted: that Singapore was such a multi-ethnic place that, if they went along down that road, it was bound to be problematic. And he has said, "Look, do you want democracy? Okay. Do you want to be Singapore or Sri Lanka, in terms of outcomes?" Because we, in Sri Lanka, have had robust adversarial politics and worse outcomes on many fronts.

However, the conclusion drawn in *Making Democracy Work for Pro-Poor Development* was that if you had democracy, you had a better chance of having pro-poor development. Of course, one needs to work hard at strengthening democratic institutions and developing a democratic culture.

SO: The work for the report was done May to July 2003.

IC: It was presented at the Abuja CHOGM. They were a very eminent group of people.

SO: It consisted of Jocelyne Bourgon, Robert Champion de Crespigny, Martin Khor...

IC: ...who was then head of the Third World Network, and now the South Centre. Sir Richard Jolly, a very eminent academic who was also involved with UNICEF. Akinjide Osuntokun, a Nigerian academic. Salim Ahmed Salim was SG of the OAU. Neroni Slade, whom you know. Dwight Venner is Governor of the Eastern Caribbean Central Bank, and Ngaire Woods, the Oxford academic. It was a very good group, with Dr Manmohan Singh as its Chair.

SO: An impressive group of intellectuals.

IC: Impeccably so.

SO: Yes, indeed. So, what impact did this report have?

IC: The report provided the framework for the ComSec's four year strategic plan that followed. We thought we had settled the argument regarding the balance between development and democracy at that time but, of course, it's re-emerged.

SO: With a vengeance!

IC: With a vengeance now. But it was interesting, you know. The empirical evidence came out that you got a disproportionate number of authoritarian states amongst the high achievers, and you had a disproportionate number of authoritarian states among failed states. So, it was a lottery whether you got a Lee Kuan Yew or an Idi Amin. Democracies tended to be in the middle.

SO: Indrajit, I would like to ask your thoughts, as a long-term observer of the work of the Commonwealth. This report was assembled by a very impressive group of people. This was a very carefully considered document, and the debate has roiled on about this balance between democracy and development. How much do you think that part of the Commonwealth's problem is the perception that it is dependent on process, rather than achievement and impact?

IC: Part of the issue is that the Commonwealth doesn't have a lot of levers. It tends to be dependent on the Secretariat to take forward some of the outcomes of the processes effectively. In general, member governments do not do enough in this respect. Impact is often constrained by not providing the resources to implement the outcomes of the processes. At the Abuja CHOGM, people were all excited, given the quality of the group and the eminence of the Chair. He himself couldn't make it there because he was contesting an election at the time, but everybody was excited by the report. But governments need to then carry the ball as well. The Secretariat had to disseminate the findings widely. However, we were constrained on taking this forward. We were planning to have a series of regional workshops to spread the message, but couldn't find the money to do it. So, that's part of the problem. Part of the difficulty is that the Commonwealth heads and ministers come up with all these great ideas, all these mandates, but then don't provide enough money to translate process into effective action, as one would desire. And here, I would say, the developing Commonwealth is as much at fault as the advanced Commonwealth. It was a fact that developed countries' contributions had come down. But, you know, the Indias and the Malaysias and the Singapores, the Nigerias, and the South Africas, [they] haven't stepped up to the plate in the way they could have done. Kamalesh Sharma has been able to mobilise extra-budgetary resources from the Indians, in cash and in kind, but not enough.

SO: Indeed. Just to continue on the democracy/development debate... In January, you also made reference to the ominous incident on the last day of your time as Director of EAD in October 2008, when a senior Commonwealth personality, in a meeting with Deputy Secretary General Ransford Smith – you said that you and three other Directors were at

this meeting – said, “Democracy’s the way forward; development doesn’t...”

IC: It was a senior representative of one of the major contributors. He was speaking shortly after a change in government.

SO: So, he was very much speaking as ‘His Master’s Voice’?

IC: Yeah. He was very frank and basically said, “The development work: it’s all here, there and all over the place. We don’t think it has much of an impact. We see this as an institution that should promote democracy and human rights.”

SO: During your time at ComSec, was it ever part of your work to try to find additional funds for your Division’s activities?

IC: Yes, it was, and we did do so. One of the big things was this ‘Hubs and Spokes’ project on capacity-building on trade policy. We got a very large grant from the European Commission, and here my colleague Dr Roman Grynberg should be given credit. He was the Head of the Trade and Regional Cooperation Section at the time. Essentially, this was at the time when the EU/ACP negotiations were taking place on the post-Lomé arrangements. Enough money was mobilised to put a senior trade specialist in the regional Secretariats. These were the hubs. Then you had the spokes, with over twenty in different capitals. These were young trade economists and they were to provide technical support to the national negotiators. They were embedded in the governments. So, that was probably the largest amount of money that EAD raised, but we also raised extra-budgetary money for other things. And the hubs and spokes unit, which started in EAD, is now a whole separate unit of its own. I think my EAD colleagues were not very happy when I let it go, but we didn’t have enough people [nor], more pertinently, the project management skills. We were policy people. We needed strong project people to keep the nitty-gritty of the finances right and all that stuff.

SO: But I could understand why your EAD colleagues would be very protective of their ‘baby’.

IC: Yes. Having done all that work to develop and successfully negotiate the project, I think they thought I really let them down. But we did it in such a way that they still had input into the policy side. But the project was run by a separate unit.

SO: So, what were the other areas of your work?

IC: On a personal note – and as a little aside – for me, in terms of work, probably the highlight was nothing to do with EAD or the Secretary General’s Office. It was to be part of the ComSec team going to the liberation election in South Africa. That was a wonderful, wonderful experience.

SO: The election itself was in April 1994. Did you go down to South Africa in advance of the actual poll?

IC: We went just a couple of weeks beforehand. I wasn’t involved in all the ComSec work that went on in relation to the transition. PAD people were

involved most. Moses Anafu, for instance, was there for months. I was in EAD and was one of the people co-opted into the ComSec team for the elections to support a very large Election Observer Group. Michael Manley was the leader and there were about sixty of them in all, and they needed people from outside PAD to support the mission. So, I got the chance to go. It was a wonderful, wonderful experience, I must say. That is where I had my epiphany. I was very much into the Asian authoritarian model, because I'd seen in Sri Lanka what had happened with pluralist politics in a multi-ethnic society and all the negative outcomes that we got there. But the joy, the whole sense of political engagement, the vibes that you got when one was there made one realise how important it was for people to be enfranchised. I must say, it changed my thinking. I had come to take things for granted.

SO: Indrajit, at the risk of being devil's advocate here, it could be said in terms of developmental economics that South Africa, certainly, through a repressive regime and the use of surplus labour on a racial basis, had achieved the greatest degree of economic diversification on the African continent, and was a 'strong state'.

IC: And had infrastructure which was world class.

SO: Of course, it had had the benefit of strategic minerals, but it had also achieved the necessary class development for pluralistic politics.

IC: Yeah. One could argue that it had got to a point where it could afford it, [while] other countries couldn't. However, the damage to human dignity perpetrated by apartheid wholly justified the case for change as early as possible.

SO: I'm not trying to defend the pernicious, appalling racial discrimination.

IC: No, but you're right. There was a time when I thought democracy was overrated. I used to think, "How important is it to vote every five years and have highly destructive populist politics driven by short-term expedience in between. Does it really matter?" [Laughter]

SO: Well, I happen to think it does! We just had the Scottish referendum. [Laughter] It's very important.

IC: Are you of Scottish origin?

SO: Yes, my mother was half Scots, my cousins all live there and my father's mother came from Edinburgh.

IC: Okay, so you have strong Scottish connections. But you're right, that's another example. And then I went to Lesotho. I went to the first two South African elections and to Lesotho as part of the ComSec teams. As I said, the people's engagement and the excitement in South Africa... You know, just being there, the vibes you picked up highlighted the value people attached to democratic rights. The enormous commitment to exercise their franchise, despite the enormously challenging topography in Lesotho, reinforced this. There were long lines of people, hours before the polls opened. They had walked long distances in an extremely mountainous terrain.

SO: That is remarkable.

- IC: It was quite remarkable.
- SO: But, as you say, it is a question of public engagement, not inertia, and the realisation that you've got to accept it when the majority vote goes against your particular viewpoints.**
- IC: I became a lot more respectful of people's yearning for democracy.
- SO: It was a very, very exciting time.**
- IC: It was.
- SO: I remember very clearly Archbishop Desmond Tutu being interviewed on BBC Radio 4 that day. He said, "I just have one word for how I feel today: Yippee!"**
- IC: [*Laughter*] That's very typical.
- SO: Exactly. But did you take the opportunity while you were there to be talking to those within the Ministry of Finance or other leading economists in South Africa on what the Government of National Unity was going to be doing for South African economic development going forward?**
- IC: Not at that time. Subsequently, we did engage.
- SO: And did you engage at the request of the South African government? Or did you have a sense that, as they were not 'late developers', their need was not as great as others, despite the need to address the legacies of apartheid?**
- IC: South Africa had plenty of capacity and they worked on home-grown solutions, like India.
- SO: So there was no sense of a necessity – nor indeed benefit – to draw on EAD?**
- IC: Not on EAD. I mean, they drew on other divisions, but not on EAD. No, they had a strong Central Bank and strong Ministries of Finance and Trade.
- SO: So, at any time during your time in the EAD, did the South Africans reach out to draw upon EAD intellectual skill capacity?**
- IC: Not really. We'd reached out to them more than they reached out to us. Mr Chris Liebenberg, a former Finance Minister, chaired the Expert Group which was set up after the Asian financial crisis. We have used Gill Marcus, who became Governor of the Central Bank. We've had others who participated in various workshops. I think we use them more as a resource than them drawing on us. Of course, Cyrus Rustomjee became an outstanding Director of EAD.
- SO: I've certainly tapped a nerve in the Commonwealth among those whom I've talked to from this era. There is a feeling that South Africa**

benefitted enormously from the longstanding Commonwealth commitment to racial justice in South Africa – its activities against apartheid, its diplomacy to help with transition, whether private, quiet or public – and that South Africa, since 1994, fails to recognise its indebtedness to the Commonwealth.

IC: I think there is some truth in that. I mean, I have that sense too. But to be fair to them, they placed a very high premium on domestic, home-grown solutions. It wasn't that they were pushing us away and relying on somebody else. So, it wasn't a betrayal in that sense. *[Laughter]* It's just that they wanted to do things themselves, and they did that. And perhaps in the process, one could argue [that] maybe the Commonwealth's role slipped away from consciousness.

SO: It's interesting now, in terms of legitimacy, that the ANC asserts, as you say, that this was a domestic revolution and didn't need the energy and input from outside.

Indrajit, please, could I ask, with reference to Sri Lanka, was the politics and the civil war environment in Sri Lanka in the 1990s and your own nationality in any way problematic to your work in ComSec?

IC: No, not at all. You know, I'm an ethnic Tamil, but all the different governments in Sri Lanka were very supportive while I was in the Secretariat. The problems at the UN Human Rights Council and the accountability issues, as well as the controversy regarding the hosting of CHOGM, came to the fore after I left ComSec. I left EAD in October 2008 and the war ended in May 2009. There was no backwash effect, even though I came back to serve as Interim Director of the Social Transformation Programmes Division for six months in 2010.

SO: I'm just making the mental comparison with Chief Emeka's experience during the Biafran civil war in the late 1960s. That had been hugely problematic, and the Permanent Secretary at the Nigerian Ministry of Foreign Affairs demanded that he step down from ComSec. I wondered if there had been any echo of that for yourself.

IC: No, there was no such problem. I had worked in the Central Bank and Finance Ministry for fifteen years, and people in both major political parties knew me and I worked with them.

SO: To go back to the work of your division at ComSec...

IC: A couple of things. When Mr McKinnon became Secretary-General, on the negative side, we were all very preoccupied with the restructuring of the Secretariat and the internal processes. He came with a mandate to focus on such things, particularly from the major pay-masters. I think what happened was [that] you had the Reagan/Thatcher period in the 1980s and 90s, when the Commonwealth developed countries restructured their domestic civil services as part of the drive for smaller government. There were a lot of changes. And after the end of the Cold War, for some of the reasons which I mentioned in Cambridge in January, they didn't feel the network was as important in terms of geopolitics. This was not just the Commonwealth. Overall, their ODA – both bilateral and multilateral – declined. As part of this,

there was a drive to replicate what they had done in restructuring their national civil services in international institutions as well. So, you saw a lot of focus on UN reform and the Commonwealth was caught up in that whole process.

SO: And McKinnon came directly from that background of civil service reform in New Zealand.

IC: New Zealand were world leaders in terms of civil service reform. The problem was that it took up so much senior time. We spent a lot of time grappling with internal reform: discussing it, and then trying to explain it to colleagues. There was a lot of upheaval. It just was distracting and it seemed never to end. So, that was a negative side.

But I must say this about Sir Don and EAD. There were some occasions when the EAD work was seriously challenged by two or three of the advanced Commonwealth countries and he basically gave us the protection we needed. The first occasion was when – again, I must give credit to my colleague Roman Grynberg – we got Joseph Stiglitz at the beginning of the Doha Round Negotiations to write a paper on what a Development Round should look like. If you remember, the developing countries were not at all keen on another trade round because they felt they'd been played out the previous time – I think quite justifiably. At the end of the Uruguay Round, the big countries did a deal amongst themselves and the developing countries didn't really get much out of it. They were not at all keen, but the advanced countries after 9/11 were very keen to give a boost to the global economy and they thought the launch of a global trade round was one of the things that would be symbolically important. They essentially got the developing countries on side by saying that this was going to be a Development Round.

So, we got this paper written by Stiglitz and we took him to Geneva and he spoke to all the trade negotiators, the Ambassadors. The Australians and New Zealanders trade at international prices. Basically, it's a very liberal trade regime that they have, and Stiglitz, as you know, is much more heterodox on these issues. He was on the side of Scottish independence as well. [Laughter] And they went ballistic that we were bringing all this stuff which went against the purist free trade agenda that they proselytized. They went as far as saying, "We don't want our money spent on work like this." There was a big to-do. There was even a move to merge EAD and the Special Advisory Services Division [of the Secretariat]. I think they felt that EAD needed to be controlled in some way, and when they couldn't get the merger, they tried to get the work programme of EAD literally approved at each Executive Committee meeting. Normally, you have a strategic plan and an annual work programme. Instead, their line was, "You tell us what you're going to do. We want to know." Fortunately, all this was resisted thanks to Sir Don and Winston Cox, who was our supervising Deputy Secretary General. It was also extremely helpful that many developing member countries expressed support for our work.

SO: So, micro-management?

IC: Yes, micro-management. To McKinnon's great credit, he called me in and he said, "Look, Indrajit, if you think any information or analysis is important for small states or poor countries, you go ahead and do it." That was

tremendous, the way he backed us. So, this was to his great credit. I must tell you, I didn't agree with some of his internal reforms – particularly the rotation policy – and I've said so in the senior management group meetings, very politely! But on this, Sir Don needs to be given credit.

The second controversy was on the international financial tax centres in the small states. The OECD suddenly – without any consultation – put out some guidelines which were highly detrimental to countries which had developed offshore financial service sectors. They threatened to blacklist them if they did not comply. Now, these countries had been encouraged to develop this sector because they have limited options in being competitive in agriculture or manufacturing. It had to be services, and this was one area they had a comparative advantage. Even the IMF and others had encouraged them to develop these offshore financial centres.

SO: And suddenly they were being penalised, by an unelected international organisation.

IC: Suddenly. And without consultation, that's the thing – it was done within the OECD, where these countries have no representation. Not at the IMF, not at another forum where they had a presence...

SO: So, these were sovereign independent states...

IC: A number of them, yes, though there were also some dependent territories.

SO: ...being ticked off by the OECD.

IC: The OECD, exactly. But, of course, if the OECD decides to blacklist them, and they put out a blacklist, where are the major banks located? It was a diabolical thing to do, I must say. And the Brits were also involved. The Labour Government was supportive of the Commonwealth in many ways, and Gordon Brown, in particular, did a lot of positive things for the Commonwealth. But here, because they were very keen to get tax money – which they considered was getting away – they penalised these poor countries with no consultation or warning. And again, to be fair to McKinnon, he really led the way on this personally, with a great deal of support from Rumman Faruqi who was then Director of EAD. Sir Don and Owen Arthur, the Prime Minister of Barbados, gave leadership and the process was made more consultative. The OECD finally backed off a little bit and they didn't blacklist people here, there and everywhere, and they engaged with them. So, it became a more credible and fairer process.

SO: How much do you think McKinnon's own determination came from the fact that he was a politician rather than a diplomat, and he was prepared to take on an unelected institution like the OECD?

IC: They're different, you can tell. Politicians are much tougher. *[Laughter]*

SO: I interviewed him twice. He was extremely affable, very courteous, welcoming, and seemingly confiding. I thought, "You know, you've learnt your politics in a hard school."

IC: Absolutely. But I admire the man, despite the fact that ...maybe he was a victim of his particular time and circumstances, in that he was very focused on internal reform and it was distracting. He stuck up for the small states, particularly. I think he had also been Minister for Pacific Affairs. He was able to empathise with some of the intractable challenges those countries have.

On EAD work, there were some ministerial missions which I should mention to you. There was one on small states which Owen Arthur led: this was when McKinnon was Foreign Minister of New Zealand and he went on that small states mission to the World Bank, to the IMF, [and] to the WTO, basically arguing that the small states are a special case and that they should be given special treatment. There were also two Ministerial trade missions. There was a trade mission towards the end of the Uruguay Round, which was after the Cyprus CHOGM. Then there was another trade mission around 2003, just after the Uruguay Round was launched. These were good examples of high-level Commonwealth advocacy. They served to convey the concerns and priorities of member countries, particularly LDCs and small states.

SO: I have [interviewed Ambassador Kaliopate Tavola](#), who was on the later small states mission in 2003.

IC: The small states aspect was a key part of it, to say that the development round must factor in the special needs of small states. But the overall message was basically to say, "Okay, it's a development round. Let's see development at the front and centre of it."

I should mention the annual Finance Ministers Meeting, which was really the highlight of the EAD year. One of the key features was the special theme each year and the kind of people who came and addressed finance ministers. These included Amartya Sen, Joseph Stiglitz, Jeffrey Sachs, Montek Singh Ahluwalia and Joseph Abbey, who was the man who basically opened up the Ghanaian economy. Ahluwalia was the key member of Dr Manmohan Singh's team which initiated reforms in India in 1991. Those are some of the names. So, we were able to get really world-class people to come and speak at the Finance Ministers Meeting. Rumman Faruqi was responsible for initiating this. The meetings also gave the Ministers an opportunity to exchange views on key issues which were on the agenda of the IMF/World Bank Annual Meetings which followed immediately after the Commonwealth meeting. So, that's another value addition.

SO: Just on election observer missions, you mentioned you went to the second election in South Africa in 1999. Were you a formal Commonwealth election observer then?

IC: No, I was on the Secretariat team for both the liberation election in 1994 [and] the 1999 election in South Africa, [as well as] the Lesotho election. I was a member of the Commonwealth Secretariat team supporting the observers.

SO: So, collating their reports...

IC: For about a week they basically went around speaking to the different political parties, electoral officials and civil society. Then they deployed to the different parts of the country and, again, spoke to the local stakeholders in the process there, and then they went around getting a sense of what was happening on

election day. There was usually a Secretariat official who was with them, and then, of course, the report writing was facilitated by PAD.

SO: It was the same process – following the Blue Book on election monitoring – in Lesotho?

IC: Absolutely.

SO: So, had your marvelling at the energy and investment put into actual voting diminished by that point?

IC: No, but I was scared out of my wits in Lesotho when we deployed. *[Laughter]* I don't know whether you know the topography of the country?

SO: It's a mountainous kingdom.

IC: Spectacularly so. So, the patch we were given was way up. We had to fly there because it was going to take too long by road. So, we said, "Fine." There were two other election observers, Senator Knight from Dominica and I can't remember who the second one was. It's gone out of my head. Anyway, we set off to this airfield and suddenly we stopped in the middle of a field. So, we looked around and looked for the runway and suddenly, out of the mountains, comes this little single engine plane and lands! *[Laughter]*

SO: Shushing the pigs off the middle of the field! *[Laughter]*

IC: And then the pilot pops out. He was a South African guy who must have been about 70 or 80. *[Laughter]* So, you have a single engine and the heartbeat of a 70 or 80 year old man between you and crashing into those mountains! *[Laughter]* Despite my great trepidation, everything went fine. We mobilised on election day – going out at about 6 in the morning – and you could see the mountainside full of people, just walking to their polling booths. It was remarkable. And they queued up before they opened – queued for a few hours, many of them.

SO: It's very humbling, isn't it?

IC: It is very humbling, I must say. Definitely. Since then, I have a more balanced view.

SO: I think it should be compulsory in this country. We should vote, otherwise we don't have the right to moan.

IC: *[Laughter]* Anyway, to say more about EAD work... The Division's work in the time I was there was divided into three Sections. One was the International Finance and Capital Markets Section. That's the section that ran the Finance Ministers Meeting. And I've made a note on six things which I thought were the highlights in those years in terms of things that happened. One, clearly, was the low-income country debt. That work started really in the 1980s. There was an expert group report which, I think, Gerry Helleiner chaired – it was before my time. I seem to recall that, because Sri Lanka really didn't have a problem, I remember not paying much attention to it, but it initially came up at a Finance Ministers Meeting in the 1980s. Then the person who first picked it up was Nigel Lawson, and this is the very interesting thing. Where the

Commonwealth is most effective is when there's a significant problem [which is being] confronted by the developing Commonwealth and one of the big Commonwealth countries – particularly the UK or Canada, as a G7 member at the time – picks it up as well. And that's when the Commonwealth really worked and you could see the strength of the Commonwealth.

SO: Because they took it to the G7?

IC: Exactly.

SO: You mentioned earlier trying to use the Commonwealth dimension and feeding it deliberately into the G20.

IC: The G20. Yes, that's something that we did after the global financial crisis and the formation of the G20. Back in the 1980s, Nigel Lawson took it to the G7 and they agreed...

SO: So, had EAD helped brief him? Or this was an individual initiative by the British Treasury?

IC: Well, this was before my time. So, I do not know, though I suspect the Helleiner Group Report must have been a factor; as well as what Lawson heard from ministerial colleagues at the Commonwealth FMMs.

To go back to EAD work, I would like to say there were three pillars which constitute the philosophical underpinning of EAD work. One is being the OECD of the developing countries – most particularly of small states and least developed countries. That's the prism through which we looked at our work. We didn't look at problems very much through South African eyes or Indian eyes, or through UK or Canadian eyes, and we were quite open about that. To be fair by UK and Canada, most of the time they were fine with it, except when it came to trade on one or two occasions.

The second principle is that we wanted to be ahead of the curve. We wanted to do seminal work which challenged the orthodoxy, which was heterodox, but the idea was that we shouldn't be way-out. The ideal trajectory would be that in two or three years' time, our ideas should have gained traction.

SO: So, you saw yourselves as a think tank?

IC: Very much as a think tank. You know, we wanted to do cutting edge, seminal stuff which would challenge the orthodoxy. We encouraged heterodoxy. Sometimes we got it wrong, but there were things like low-income country debt, or climate change – again, I'll come to that – where the Commonwealth was ahead of the game, and [also] on the special needs of small states. So, there are three/four areas like that where the Commonwealth has been ahead of the curve. As I said, low-income country debt is probably the emblematic thing in terms of Commonwealth success. Dr Persaud has told you plenty about it. But as I said, Lawson picked it up, took it to the G7, and that was on writing down bilateral debt. So, that was fine; we went along okay on that.

But interestingly, I was still working in EAD in the 1990s when we got a Chief Economic Officer from the Central Bank of Sierra Leone, Samura Kamara, who subsequently became Secretary to the Ministry of Finance, Governor of

the Central Bank, Finance Minister, and is the current Foreign Minister of Sierra Leone. He said, "Look, it's all very well advocating for relief on bilateral debt but the real problem is going to be multilateral debt, because we owe so much money to the IMF and the World Bank. There is no way we're ever going to be able to pay this back." Because of this, we discussed it within EAD and we started work on writing-off multilateral debt. It was initially dismissed by those who said, "It's one thing for bilateral debt to be written down, as sovereign governments can do that. But multilateral debt cannot be touched." Rumman Faruqi, who relished such challenges, pressed ahead. He was vindicated a couple of years down the line, as there was agreement on the HIPC Initiative. So, this was the ideal trajectory I spoke about, and it was Samura who came and raised it in the Secretariat and Rumman Faruqi and the Secretariat hierarchy were willing to risk challenging the orthodoxy.

SO: So, this was a team of you working on ideas of how there could be draw-down of multilateral debt?

IC: Yeah, to write-off multilateral debt.

SO: So, where did you draw your ideas from? I'm fascinated by the thought processes and working practices of your division as you started to work out something so out of people's usual thinking.

IC: Yeah, it was thought to be impossible. It came from Samura's personal experience of working in the Central Bank in Sierra Leone. He knew that there was no way they would ever be able to pay that money back.

SO: It's fine to identify the problem, but then how do you move to resolve it?

IC: He'd mentioned it to Dr SK Rao and myself. I think Dr Persaud had just left. Subsequently, Rumman Faruqi picked it up and supported the work vigorously. The issue was presented at the Commonwealth Finance Ministers Meeting first, and then the Brits picked it up.

SO: So, this is analysis of the problem. What of identification of possible solutions?

IC: Well, yeah. Solutions in the sense that you had to find some way of writing this down.

SO: So, that was pushed up the line for the politicians to decide?

IC: And it was picked up by the Brits again, in the same way Lawson picked up on bilateral debt relief. I think it was Kenneth Clarke and then Gordon Brown who first picked up on the need for multilateral debt relief. I can't remember now. The UK took the lead and the upshot of it all was the HIPC Initiative.

SO: I do remember the John Major government made this one of their leading international policies.

IC: Yes, at the Mauritius FMM. I think this was the EAD at its most effective, and the Secretariat at its most effective – and, arguably, the Commonwealth. There are other things of a similar ilk, but this is one of the key things, in my view.

Another interesting tranche of work was on the international financial architecture in the aftermath of the Asian financial crisis in the late 1990s. There was an emerging consensus at that time that the international financial architecture needed to be reformed. The major countries were also beginning to talk about it. You had the Asian financial crisis and its contagion effects, then you had the dot-com bubble bursting and everybody was on board for restructuring the international financial architecture. But then you had this recovery and what Governor Mervyn King called 'the great moderation', or the 'NICE' economy – non-inflationary, continuous expansion – from something like 2002 to 2008, until everything went belly-up with the global financial crisis.

EAD did a lot of work on how to reform the international financial architecture and some of that has got picked up now, post-global financial crisis. For instance, the need for counter-cyclical liquidity for developing countries, [so] that when you have a downturn, you have to find ways of having counter-cyclical liquidity. Now, one of the things that happened after the global financial crisis was a large SDR [Special Drawing Rights] allocation which was just given out to all the countries. That was one thing that we had been pushing.

A second plank was activist central banking at the national level – that you must have very aggressive monetary policy – and Ben Bernanke has taken it to a different level. He has been followed by all the major central banks.

Another element of the reform proposed was increased voice for the developing countries. There's been progress on each of these, though momentum for major reform strengthening multilateralism was lost with the recovery that took place after the Asian financial crisis.

SO: How much political support did this tranche of work receive from, say, the Malaysian government? I know that, after the Asian financial crisis, Malaysia deliberately rejected the prescription from the IMF and embarked upon a more Keynesian reflationary domestic model.

IC: We had, in Rumman Faruqi's time, another expert group headed by Chris Liebenberg – who was then the Finance Minister of South Africa – looking at these issues. And Zeti Aziz – who is now the Governor of Bank Negara, the Central Bank of Malaysia – was a member of that group. I think at that time she was the Deputy Governor. So, the Malaysians and South Africans played a role in that group and its report served to share their experiences with the whole membership.

SO: That makes a lot of sense. I was thinking about the extent to which individuals, but also their particular political policy environment, fed into this critical work.

IC: It did. Going back to EAD work, the other thing which Dr Persaud started was the Commonwealth Equity Fund that he spoke to you about. Building on the work he did...And this was mainly in Rumman's time, but it continued afterwards as well. I don't know whether Rumman's spoken to you about this: a series of regional equity funds. There was a Commonwealth Africa Investment Fund, a South Asia Fund, a Caribbean Fund and a Pacific Fund.

This was again innovative in the sense that it was private equity. Dr Persaud pioneered taking portfolio capital out to the developing Commonwealth, but that money went basically into India and Malaysia and not beyond. So, we said, "Okay, how do you now get this to a wider group of countries?" EAD worked with the CDC, the Commonwealth Development Corporation, at the time and we set up these regional funds for each of the regions, operating in private equity mode. And they were pretty successful. This is entirely private money – nothing to do with government revenue or the balance of payment problems of a country. It is, essentially, to get private investment into developing countries which were not getting it. Rumman Faruqi and Dr Bishakha Mukherjee did a lot of work on this.

SO: So, private investment that should not be state-controlled?

IC: No, these are entirely private. It is nothing to do with government. Governments gave their blessing, of course, and they gave tax breaks.

SO: How were the projects identified in...?

IC: By the fund managers. Nothing to do with us. We were essentially facilitators: the CDC basically ran the funds.

SO: So, this is private equity funds for developmental purposes, as identified and managed by the fund managers?

IC: Exactly. Now, in fact, this has been taken over by a Middle Eastern fund manager, Abraj, but that is fine. We started this off. It's now become part of the mainstream: another example of the trajectory from pioneering work to mainstream I spoke about earlier.

SO: Was this ever politically problematic with governments who might have wanted to control their developmental agenda? Although it had Commonwealth 'branding', this was still private investment.

IC: No, partly because the monies were useful without being so big for governments to feel threatened in any way, or want to get their fingers into it. There wasn't enough money, to be fair, but what was important was the demonstration effect that private equity can work in these markets.

SO: Okay. So, issues about proliferation and the competition that exists within international aid and assistance – where there can be a multiplicity of similar projects or a bilateral purpose rather than, in fact, the overall developing country's agenda – that didn't feature as part of your debates?

IC: Not in this area. It's just private money which came in – into companies, not into a government – and it showed that one could make a rate of return by doing this. So, again it was Dr Persaud's really innovative thinking, and [it was] that trajectory of ComSec getting it off the ground and then it was taken over and now run by the private sector.

Another interesting thing was, of course, this whole tranche of small states work. There are a few highlights. Obviously, given the nature of the membership, it was always going to be important, but Dr Persaud, I think,

spoke to you about all the work that was done on vulnerability and graduation, etc. So, that was really the early work that was done and, certainly, even in the time I was in EAD, we got an important study done. It was titled, *Small is Not Beautiful*. The thesis was that these countries had 'endowed handicaps'. So, it's not because they have a poor policy framework, it's not because of distortions in their markets – the factor and goods markets – or anything like that. This was because they're small. That's it. Because of that, unit costs are high and in a globalising world they're going to have special problems in competing, simply because they have a higher cost structure: you have to compensate or adjust for that in various ways. Historically, trade preferences did this. However, they were being eroded.

So, following on from that, a lot of work was done to justify the WTO coming up with a new country category. Again, we can't claim all the credit, but the work done by the Secretariat was important in feeding into that. Now, the WTO has a category of countries called 'Special Vulnerable Economies', SVEs. The Commonwealth Secretariat's work helped a great deal in getting that outcome. The other thing that happened was getting the concept of 'special vulnerability' accepted. Following the mission that Owen Arthur led, Jim Wolfensohn picked up on this idea and the World Bank also began to recognise the special problems of small states. They may not have gone as far as we would like, but they actually began to recognise the vulnerability of these countries.

Once the vulnerability of small states was recognised, EAD started a tranche of work on resilience. Okay, these countries are vulnerable. How do you build resilience to try to minimise that vulnerability? So, that was the second tranche of work, and quite a lot of work was done on it. One way of building resilience is to have much stronger regional cooperation, and that is happening. The Commonwealth has provided considerable support for this over the years.

SO: Hence the Commonwealth shift into regionalism.

IC: Very much so. It's something you needed to do in a globalising world, to have the critical mass to be able to be a player.

SO: There's an irony there, because British decolonisation policy had tried earlier federal models of economic development and political stability. So, there is a degree of federalism in this shift to regionalism.

IC: Well, for instance, the West Indies Federation people talked about [this] years ago. But for the future relevance of the Commonwealth, the rise of regionalism has been a double-edged sword because it's probably squeezed some of the space we had to operate.

One other highlight was [that], after the global financial crisis, there was a mini-summit. One of the things Gordon Brown is credited with is helping to save the world after the global financial crisis.

SO: And did he, in your view?

IC: I think he played a very important role. I'm a Brown fan, I must tell you. Partly because my politics is very much where his is, which is, "You encourage

private enterprise, get the corporate sector to create wealth, and then use stealth taxes to grab some of it back and redistribute it.” [Laughter]

I’ve had a few very superficial dealings with the man and he was pleasant, but I’m told he’s a very difficult person. That may be true, I don’t know. But I think his political ideology was right in a world where the rise of inequality is one of the great issues of the day. But he wasn’t an effective Prime Minister.

SO: I saw him as being master of his brief while he was Chancellor.

IC: An excellent Chancellor. As the Prime Minister, clearly, it’s a much more mixed record. For me, he was a very impressive Chancellor. Anyway, before he had this famous G20 meeting in London which came up with the response to the global financial crisis, he worked with the Secretariat. In fact, it was his idea that we implemented. We had a Commonwealth mini-summit and he wanted to feed the ideas coming out of it into the G20 meeting, and that’s where we saw this opportunity of the Secretariat being a voice for the non-G20 members. There are only five, I think, Commonwealth G20 members: there’s UK, Canada, Australia, India and South Africa. I don’t recall Nigeria being a member. So, the 49 other countries, how do we get their interests reflected? And we saw an opportunity for the Commonwealth to do that. I left a few months after that. Cyrus Rustomjee has taken it to a whole different level. You should talk to him about that. I think that’s been a major, major success. Commonwealth inputs into the G20 process have come to be much valued.

SO: I will definitely talk to him.

IC: So, that’s all the work on the finance side. On trade, our work was in two tranches. One was supporting Commonwealth countries in multilateral trade negotiations, initially with the Uruguay Round. I think Dr Persaud talked about Professor Bola Onitiri being in Geneva, helping developing member countries. Well, similarly, once the Doha Round was launched, we engaged very strongly in assisting these countries. The high point was that we got Stiglitz to do two papers: one, on what a Development Round should look like, and two, on an architecture for ‘Aid for Trade’. Stiglitz’s paper on Aid for Trade actually did have quite a big impact because although the Doha Round got stuck, progress has been made on Aid for Trade. I can’t remember who was head of the WTO at the time – it was probably Pascal Lamy – but even he recognised that Stiglitz’s paper had been a very useful contribution to the process.

We supported all Commonwealth developing countries, but particularly small, vulnerable economies. We contributed to getting this category recognised in multilateral trade negotiations at the WTO. In fact, interestingly, our Indian colleagues were not at all happy about the work we were doing on small, vulnerable economies initially, because they felt that we were fracturing the developing country constituency. They had a point and were not being driven by self-interest. However, SVEs had special challenges in terms of trade policy and I believe the Indians came to realise that.

SO: I’m aware that in the 1970s there were arguments in the NIEO that there had to be solidarity, and if there was representation of a different group, then it was counter-productive because it undermined the whole.

IC: Everybody agreed that developing countries had to be supported in a different way – that was the basis for the principle of special and differential treatment accepted in the WTO context. So, there was that fragmentation already, and the Indians felt that we were just introducing further fragmentation, which was not helpful. So, it was done, I think, with good intent. It wasn't them being difficult on this, but we felt that small, vulnerable economies were so disadvantaged that – like the LDCs – they needed particular help. Over time, India came to accept it. When we first started, I got a few calls asking politely about our approach. I've had less polite interaction on trade matters. [Laughter] There was an interesting kind of dynamic, but in the end they thought it was okay and they've supported it.

The second tranche of trade work was focused on regional agreements. I have already mentioned the big 'Hubs and Spokes' project which was developed by Roman Grynberg to support the ACP countries in their negotiations with the EU. This was one of the areas of work where we really had a comparative advantage as the Commonwealth and where, I think, we added significant value. Our inter-regional reach was a major advantage in this. We were able to bring the negotiators from the three different regions together because of this. They found this very helpful, because the EU was negotiating separately with each of the regions and they didn't always know what was happening in the other regions. On a number of occasions, we brought the negotiators from the different regions to London to sit together and exchange views, experience, etc. And we also got them supported by some top trade economists, who came and spoke to them. They found all this particularly valuable: the fact that they were able to talk to each other across the regions to find out what was going on. In my view, that was a significant value addition into the process, in addition to some of the analytical work which fed into the different regional negotiations and the Hubs and Spokes project which provided continuous technical support.

I would say those were the highlights on the trade side, and as I said, we probably didn't do enough in my time on South Asia. Subsequently, in Cyrus' time, they have been doing quite a lot of work on South Asia, that sub-region, and I'm sure he'll speak to that. Because South Asia is the least integrated region in the world, by some distance – partly because of the India/Pakistan dynamic [and] partly because of India's earlier philosophy that it would prefer to deal individually with the countries in the region – but the Indian position has changed. They are now more amenable towards regional cooperation and I think EAD, after I left, has done quite a lot of work.

SO: This preceded Modi's election?

IC: Yes, but Modi is giving it a big push. To be fair by the previous government, they also moved in this direction. You see, essentially, I think the Indians have come to the conclusion that if they are to realise their global ambitions, it is not helpful to have a series of irritations in the neighbourhood.

SO: No, they don't need these regional distractions.

IC: Absolutely. The Indo/Pakistan problem is of a different order of magnitude, and that has its own dynamic, but they would prefer not to have issues with Sri Lanka, Bangladesh, Nepal or even Maldives now. They don't want instability. So, they basically think that the best way to have a stable

neighbourhood is to have prosperity in the region. If these countries are progressing and they're willing to play a role in helping them become more prosperous, then they can focus on the big picture and get on with their global priorities.

SO: How much, though, does South Asia and South East Asia each have a problematic bilateral tension – whether it be India/Pakistan or Malaysia/Singapore, each with their different frictions, contestations, competitions – that has complicated the drive for regionalism?

IC: It has, but I must say that the South East Asians and the East Asians have been much more inclined to allow commercial interest to drive the agenda than South Asia, where we have got bogged down with politics and nation-building much more. This was possibly inevitable given the fracturing which marked independence.

SO: How far did you see Commonwealth ideas and institutions feeding into the creation of ASEAN and its institutional development?

IC: I don't know, to be honest, because we didn't do that much work with ASEAN.

SO: That's interesting.

IC: Yeah, because they did their own thing. We had limited resources so we were focused on small states and LDCs, particularly in Africa.

SO: A question of priorities and limited resources.

IC: Yes. Limited resources meant we had to prioritise, but we drew on those countries – particularly Malaysia and Singapore.

SO: Of course.

IC: Going back to EAD work, essentially you had finance, you had trade, you had small states, [and] you had climate change. Those were the main areas of work. On climate change, you could argue here, again, [that] the Commonwealth was very much ahead of the global consensus. Way back before my time, President Maumoon Abdul Gayoom, I believe, at the 1987 CHOGM, brought up the issue of sea level rise, because the Maldives were being threatened by it. Then, at the next CHOGM in Kuala Lumpur, you had the Langkawi Declaration. Then, as Dr Persaud mentioned, Sir Shridath served on the Brundtland Commission and they did a lot of work.

He talked also about Iwokrama. Iwokrama is a very mixed story, sadly. For various reasons, as he pointed out, we didn't get as much support within the Secretariat, governments, international agencies or business as one should have done, in terms of resource mobilisation to drive the programme. Forbes Burnham gifted this to the Commonwealth. With the change of government in Guyana, the priorities changed. Not that they were against Iwokrama, but it required a major effort on the part of the Guyanese government to do certain things like building infrastructure, etc., which took time and momentum was lost. So, for various reasons, it was a mixed story.

Very good work was done, but the difficulty in mobilising resources – public or private – was a drawback. The thing is, global public goods of this nature – unless it's like Ebola where the global threat is obvious and everybody gets engaged – are not addressed as they should be. In the case of experimentation in a rainforest, however valuable, people don't feel threatened enough or don't see direct enough benefits to throw money at it, and that is a problem. Again, climate change is an area that you need to speak to Cyrus on, because I know they've done some seminal work in the last four to five years, particularly on financing.

SO: Please, could I ask you – and this is connected to trade and finance – was any of your work directed towards policy analysis of issues of corruption? You've highlighted EAD's work for developmental purposes, but were you also analysing what were the impediments to development?

IC: We did work on promoting private flows – Dr Vince Cable did, which Dr Persaud spoke about – and then you had all these equity funds, etc.. As part of that, EAD did do work on the investment climate. The investment climate, of course, has macroeconomic fundamentals, it has infrastructure, it has human resources, it has deregulation and the ease of doing business, and it has governance/corruption. Of all those, probably, we did the least on corruption. *[Laughter]* At that time, it was probably considered too intrusive and crossed the line on sovereignty-related issues. Things are changing now.

SO: Speaking as a British taxpayer... *[Laughter]*

IC: We didn't really, to be honest. We did point out that corruption was an implicit tax on investment. Clearly, the world is a highly competitive place where every country is looking for private investment, FDI. If your going rate is 20%, and somebody else is at 10%, it's not an advantage. But I don't recall us doing serious advocacy or analysis.

SO: As an economist, how much of a problem is corruption?

IC: It depends on the level. I've talked privately to private sector people and they will tell you, "Look, we know how to deal with it. If it is 10%, maybe 15%, we can do that."

SO: They 'factor it in' to their numbers?

IC: Yes. Also, it depends on the sector.

SO: If the rate of return is far higher?

IC: There's a going rate of corruption which businessmen can manage: I think, as in most things, there's a market. *[Laughter]* But we didn't do any work on this, to be honest with you.

SO: When I taught on African development to students at the LSE, inevitably the issue of corruption came up and I would say, "Well, there are economists who argue that corruption is not necessarily the worst evil, and it's possible to achieve developmental take-off even in corrupt environments," such as East Asia. There are instances here in the UK.

So, I wanted to ask you, a leading economist, about your particular view.

IC: I'm pretty agnostic on this. As long as it's not rapacious. There are countries where there has been transformation despite prevalent corruption. Another factor is the fate of the proceeds of corruption. If it is retained within the domestic economy, the damage is less than if it is siphoned out of the country – into foreign bank accounts, assets, etc.

SO: You've mentioned a number of key officials who went on to prominent and influential positions. How much did you see then that the Commonwealth was indeed a kindergarten for later personal and professional growth? You were developing ideas in individuals that then would not simply feed back into, say, the G20, but also back into their national governments?

IC: Yes, to national governments and to other international organisations, too. I think [that] certainly, on the policy side, EAD was a wonderful training ground. I benefited a great deal in terms of personal development. There were a range of issues. If you are the Director, it's as good a job as you can have. If you look at the four different tranches of work I have spoken about, there's so much rich, interesting work under each of them. There wasn't a single day you didn't have something of interest.

SO: There's intellectual stimulation and variety, that's terrific.

IC: And good people. I must stress that one of the privileges of working in ComSec was the opportunity to work with so many excellent colleagues. EAD was particularly fortunate in this respect.

SO: What was your relationship like with officials in, say, Whitehall departments or other Commonwealth bureaucracies? You've mentioned where you got support, but where did you meet resistance?

IC: The biggest resistance was on some of the trade work I've mentioned, which is where the FCO here and the DFAT in Australia and New Zealand were very resistant at times. Basically, they did not want us to do some trade work which we were doing. To be fair, it didn't spill over into other areas. For instance, Australia under John Howard had a difficult position on climate change, but they didn't do anything to affect our work. Equally, Canada under Stephen Harper has a different position on climate change, but to the best of my understanding, I don't think they've tried to stand in the way of that work, even after I left. The only time they really tried to interfere with our work was on trade. That was at the launch of the Doha Round and they didn't want us to be organising developing countries in a way they thought was counterproductive.

SO: Indrajit, in your experience, what was your relationship like with ODA/DFID?

IC: Good overall, but sometimes tense. There was some tension regarding the trade work. On another occasion, they were unhappy regarding the rather sceptical view we adopted at the time of the launch of the Millennium Development Goals. We argued – rather heretically – that they were

necessary but far from sufficient. The issues which are now being addressed through the discussion on Sustainable Development Goals serves, in my view, to vindicate our view. However, our advocacy was not politic at that time. DFID wrote a strong letter to my boss, Winston Cox, regarding this. However, there were a number of occasions where both DFID and UK Treasury support was very helpful.

Another area that I didn't mention was the work on money laundering and counter-terrorism financing. It was actually a multi-divisional exercise. I agree with a lot of what Dr Persaud said about silos and not having maximised synergies across divisions, etc., but on this our legal colleagues came up with model laws. They really took the lead on this, but it was something EAD initiated.

SO: General Obasanjo set up a commission in 2003, following the Abuja meeting.

IC: Correct. The Secretariat played a supportive role through the legal people, I think.

SO: To that commission?

IC: I do not recall how things transpired.

SO: Do you have any views on the progress, influence or impact of that commission?

IC: I didn't really engage with it at all. I think our legal people did. However, it was a new area which came up and we helped the governments to get their heads around this.

SO: You've made positive remarks about how people at the World Bank, IMF and UN agencies accepted – after a while – ideas that you had been putting forward which were, indeed, ahead of the curve. Rumman Faruqi commented that outside agencies weren't necessarily receptive, and he implied that they could be quite hostile to the types of work that you were doing and the ideas that you were promulgating.

IC: Yes, that did happen. But I think sometimes there was a trajectory which went from scepticism to eventual acceptance. Multilateral debt is clearly one. Small states is another example.

SO: So, if not hostility, was it indifference?

IC: Large organisations have difficulty in being flexible and innovative. ComSec, as a smaller organisation, on the other hand, sought to be heterodox and innovative. Eventually they came to accept that small states had special problems. They came to accept that multilateral debt could be restructured.

SO: How much of that was also because people who had served in the Secretariat also then went on to take positions in the World Bank, in the IMF, in the UN?

IC: I suspect [that] not enough of us went across for this to be a factor. I don't think we can claim that. But they themselves have evolved as the Washington Consensus loosened up. It first started with Wolfensohn, when he said, "Well, look, there is another side to the balance sheet: social and environmental indicators." We would like to think we were ahead of the game, but how much we influenced their evolution is tough to say.

SO: Indrajit, you made the comment before we started that when you first came to EAD, there had been an enormous wealth of experience and institutional knowledge. How far was that leached during your time there, because of the process of rotation?

IC: Rotation has meant two terms at the diplomatic level and three terms at a professional level. Interestingly, I think, at the diplomatic level, we were able to get good people. I'm not talking about the seven or eight years I was in EAD; rather, more broadly [across] the Secretariat, we were able to get good people. Where we perhaps lost a bit of capacity was at the professional level, because they are, as I said, the ballast of the organisation. These are the front line soldiers, so to speak, of the Secretariat, who have links in the ministries. You need the support of the heads of government and ministers, but when it comes to delivery of programmes and the nitty-gritty of the operational side of things, it is contacts in the second and third tier of ministries that are important. Those are the contacts, the networks, that the professionals have, and I felt that that is where we saw an erosion of capability the most.

SO: In your role as Deputy Director of the Secretary General's Office, did you carry forward those four areas that you talked about? Of trade, finance, small states...

IC: And a bit more. Yes, Stuart was head of the Private Office at that time. He did all the political work and had overall oversight. My colleague – the late Chuks Ihekaibeya – did the social sector work and I did the economic side of it. But a very interesting aspect of the work was that, as the Deputy Director, I was Secretary of the Management Committee. So, I sat in on the Management Committee meetings, which comprised the SG, the three DSGs, Stuart, SK Rao as Director of Strategic Planning, Chuks, and I was the scribe, the Secretary. But it was tremendously interesting, because you had a bird's eye view of the workings of the Secretariat and all the political dynamics that are clearly extremely important, sensitive, complex, and difficult in a 54 member association. So, that was a great experience. Personally, it was a great experience to be able to have that opportunity. I looked after these areas, plus some of the technical assistance. There was also much to be learnt from the way Stuart handled things from his very sensitive position in the system. Having direct access to Chief Anyaoku as SG was also a great privilege.

SO: Please, could I ask you if there was any aspect of your work that involved economic analysis or policy projections on Zimbabwe in the 90s and early 2000s? I appreciate that, until 2003, Zimbabwe was a member state, but there were obviously issues of access to land and the extent to which it was able to adjust to the Structural Adjustment Programme of the early 1990s. When inflation there began to accelerate, was the Secretariat involved in any economic analysis?

IC: No. I think there was political engagement, clearly. On land, I think [that], for instance, Chief Anyaoku did offer some expertise on land reform. I don't know if that was taken up.

SO: Don McKinnon was also trying to facilitate discussion on land and how there could be accelerated transfer in a managed form...

IC: Managed form, exactly.

SO: ...and he was liaising with Mark Malloch Brown at that particular point. [Malloch Brown] was trying to use the Commonwealth, in fact, as the conduit to achieve this...

IC: Absolutely. He was then head of UNDP.

SO: ...and to insulate Britain from this.

IC: There was that kind of engagement, but not economic analysis, to the best of my knowledge.

SO: I just wondered. As an overall assessment of your time at the Secretariat, then...I'm aware you left in 2008, but you were recruited back again as Head of...

IC: For six months.

SO: ...as Head of the Social Transformation Programmes Division. Looking at that 18-year period from 1990 to 2008, you've talked about where you felt the Secretariat and the Commonwealth was most effective, but where were its failings and its shortcomings?

IC: Well, one was this distraction with internal restructuring – the navel-gazing. I think that took too much time and too much attention. The other thing is that we struggled for levers, as I told you earlier. How could we maximise influence at the policy level? That was a constant challenge. At the project or technical assistance level, clearly, the Secretariat was able to do remarkable work.

SO: Yes, with very limited resources.

IC: And it was on a day-by-day basis, and nobody talked about it, or it didn't get enough attention or kudos. But I'll tell you a very interesting thing that Chris Matheson, a Kiwi, told me. He handled Cabinet/Permanent Secretary relations in post-transition South Africa in the early days, which was clearly a very sensitive issue. And I remember asking him, "How in the world did the Commonwealth get asked to do something like this, and how did we fare?" And he said, "Well, the interesting thing about the Secretariat is that it looks like the Commonwealth." And certainly, for work in South Africa, having an African Secretary General [and] having senior officials from Africa and other parts of the developing Commonwealth gave us this niche kind of opportunity to do very sensitive work.

SO: A credibility.

IC: A credibility, exactly, which comes from that. There hasn't been an African head of the World Bank or the IMF, if you see what I mean – or even an Indian head of it or a Caribbean head of it. So that in itself, I think, puts you into a category which helps in terms of being a trusted partner. This was the essence of ComSec's comparative advantage. A recurring theme that I heard during my time at the Secretariat was, "You know, we see you guys as being on our side of the table." This is something we need to preserve and protect.

SO: That non-adversarial role.

IC: Exactly. The words were not always the same – it was said in different ways – but that was the message: "We see you as a trusted partner." It helped greatly that Ramphal positioned the Secretariat as being very pro-development.

SO: Indrajit, how would you place the particular qualities and levers of the two Secretaries General that you served? Chief Emeka on the one hand and a very different and contrasting style in Don McKinnon: one an international diplomat, the other a politician. You've made reference to McKinnon, the politician.

IC: I think they brought their different strengths to the organisation. Chief Anyaoku was steeped in the values of the Commonwealth and he understood a lot of the nuances that needed to be taken into account so that there wasn't any misunderstanding. He was very careful in choreographing things. He always said, "The optics are very important: as important as the substance." This was something that he always said and it was something that influenced him in the way he operated. And he was extremely hard-working: a very hard-working person. And, I think, in the 1990s, when the political transitions were going on in Africa, it was very advantageous for the Secretariat to have an African Secretary General because he had very good access to African leaders. He was trusted by them. So, he was the right man for that time, given what was going on in the Commonwealth as a whole. Probably the most important issues at that time were the South African transition and, more generally, the democratisation in Africa. Having him there was an advantage and I think the Secretariat was able to contribute, perhaps, more than it would have done if there was somebody of a different nationality at that time. The trust factor was probably higher and access was probably greater.

SO: There's an African solidarity...

IC: Yes, that is right.

SO: ...which shouldn't be underestimated.

IC: It shouldn't. So, those were his strengths, really, and he operated through consensus. He was consulted and he himself was very open to consultation and advice. Once he made up his mind, he could be quite obstinate about things, [*Laughter*] but I think you need to be at that level. So, those were his strengths. Mr McKinnon was very much a politician and, as I said, to some extent he was again a creation of that time, because there was this pressure to restructure the organisation from our major contributors. So, he came to do a particular job, and he had to do it and it was distracting. But I have given

you examples of instances when he was extremely effective and when he backed his team. As much or even more than [backing] his team, he also supported the vulnerable and poor countries in the Commonwealth who needed his backing. He should be given more credit for that.

I should also emphasise that we were very fortunate in having Winston Cox and Ransford Smith as our DSGs during my time as Director of EAD. They brought with them a wealth of expertise and experience and had a deep understanding of EAD work. Their support and guidance was invaluable.

SO: How important do you feel is the Commonwealth Heads of Government Meeting? You've underlined – totally understandably, given your area of work – the importance of the Commonwealth Finance Ministers Meeting which takes place every year. How about the biannual heads meeting?

IC: You know, I think it's crucial. The Secretariat is not plugged into the international organisational architecture with a very clear mandate. We all know what the World Bank does, or the IMF, or the various UN agencies. What does the Secretariat do? It's not immediately clear. So, I think it's a combination of CHOGM and the SG who have to carve out a role. Heads, advised by the SG and his senior team, carve out a meaningful role for the Secretariat. So, it's really those mandates that come from CHOGM that are the essence. The parameters and the substance of the Secretariat's work are set by what comes out of these CHOGMs, and the Secretary General, of course, can be proactive and take the heads in a particular direction, but it's that relationship – that nexus – that sets out the agenda for the Secretariat. In that sense, it's crucial: that's one reason.

And two, the Commonwealth Games gives the association exposure, but the CHOGM is probably the biggest in terms of international attention. There's nothing else that really comes anywhere near it. The optics are very important for the Secretariat because, you know, we have a problem in terms of visibility, and it's one of the occasions where we do get visibility.

SO: In November 2012, it was quite the wrong sort of visibility.

IC: I know, with my own country playing a significant role in that. *[Laughter]* But if it works well, it's important, for the reasons I have given you – carving out a role in terms of the work programme and visibility. In terms of funding and financial support, I suspect the signals that come out of CHOGM can, to some extent, influence that. If heads go away thinking that, "This is a meaningful meeting and this organisation is doing things of relevance to us," I suspect they can then send a signal in their system: "Let's see whether we can find some money for them."

SO: What's your view of the headship and its future? The role of the Queen, and her likely successor: what is your perception of her value to the Commonwealth?

IC: I think the Queen herself has been an enormous asset, partly because, I think, the Commonwealth has meant so much to her. I think that comes through. And a lot of the positions Prince Charles takes are very Commonwealth-friendly: on the environment, on climate change, young people, working with underprivileged young people and his work on inter-faith

relations. The poor man, like the Commonwealth, doesn't get enough credit [for] all the good things that he does. You know, I am fairly agnostic about the succession...I think Prince Charles...Simply because you need to clearly have something better before you change something. Right? I mean, what's the American saying, "If it ain't broke, don't fix it." I can't think of an alternative that jumps out at me.

SO: Well, the alternatives are to have an elective head of the Commonwealth, or possibly a rotating one. The other choice, of course, is not to have one at all because there's already a Secretary General.

IC: Yeah, exactly. The elective head of the Commonwealth is the Secretary General. He gets elected by probably the most privileged...

SO: Arcane...?

IC: [*Laughter*]...and also probably the privileged electorate in the world!

SO: Yes, Sandra Pepera wrote about that in the most recent Round Table and, as you might imagine, she has firm views on the whole procedure as an arcane and male-dominated process.

IC: The thing is this: for the Commonwealth to work, the UK has to be engaged. It's important. You need the Canadas and the UKs and the Indias and the South Africas to take the Commonwealth seriously.

SO: The major powers within the Commonwealth?

IC: Exactly. It can't just be a small states organisation. It can't just be African or LDC. So, unless the UK, Canada – you know, those six/seven major countries – really engage, the Commonwealth loses value. And one way of keeping the UK engaged is to have its Monarch as head, as long as they have a monarch.

SO: The Commonwealth will have a global brand?

IC: Exactly. I'm a passionate advocate for the South. As I told you, I took this job over a possible World Bank job because I thought this is the OECD for the developing countries – and because the Secretariat is in London, I must admit that. I like the UK; I like spending time in the UK. I've grown up here, really, in many ways. But it is certainly, I think, important that the UK remains engaged: very engaged.

SO: You've referred more than once to the question of visibility: to the need to shine a light on what the Commonwealth does and its achievements, its contributions, and where it has been ahead of the curve. Is the Commonwealth's lack of visibility a function also of the media age? You joined the Secretariat in 1990, and here we are in 2014. The media environment has changed dramatically in that intervening 24-year period.

IC: I suppose quiet diplomacy is a bit out of sync in the modern world.

SO: And development and democracy...Both of those are slow burn issues. They don't make the immediate headlines. So, is part of the Commonwealth's problem that – as the quintessential soft-power organisation – it doesn't lend itself to...

IC: The modern world, and the modern media world. And therefore, it doesn't get the exposure that it certainly deserves.

SO: It's important, also, in terms of validating your efforts. After all, everybody wants to feel appreciated.

IC: Of course.

SO: Do you think that ties back into questions of influence? Because visibility implies, "They're newsworthy, they're influential. They can reach a broader constituency. I need to take cognisance of what they think." So, if the Commonwealth's work is not necessarily very media friendly...

IC: No. We've talked about this a lot in various senior management group meetings and things like that. We haven't been able to crack it, and I'm just wondering whether the problem is a structural one, as you described it, in terms of the way we work and the demands of a 24-hour news agenda.

SO: Yes, which is driven by the headline rather than something that might take three to five years to achieve a significant impact, like heavily-indebted country debt relief.

IC: Exactly. It took as long as that.

SO: How did you come to be recruited as Head of the Social Transformation Programmes Division?

IC: I was pretty much getting ready to go back to Sri Lanka when the head of the Social Transformation Programmes Division got a job in the UN and left suddenly. They were having some issues within the division and my former boss Ransford Smith said, "Look, can I throw a challenge your way? Can you hang on and do this for six months while we recruit somebody?" There were a few issues within the division. There were some very strong people in that division, and the sense was that, a), because I wasn't going to be there for very long and, b), because I tend to be non-confrontational, that hopefully I could try to stabilise things a bit.

SO: So, where did it sit in the Secretariat? In the SG's office?

IC: No, it was a separate division then. It's health, education, [and] gender. Now, I think, in the restructuring it's all changed. I think gender has been mainstreamed and health and education have been downgraded in some way. But at that time, it was the health, education, gender division. So, it contained three very disparate entities and was doing very interesting work.

I did tell you there were three underlying drivers to EAD work: I have only mentioned two of them! *[Laughter]* The third one is distilling good practice and dissemination. So, one is the OECD for the South; two is being ahead of the

curve and heterodox; and three [is] looking around where things are working well and trying to distil lessons, good practice, and then disseminating it. And the health, education and gender people did this very well. They did other work, too, in particular areas, and each of the sections did have niche areas where they made a very important contribution.

SO: How much of that division's work was permeated by rights-based discourse?

IC: Certainly the gender division had a strong rights-based discourse. Education and health had very small budgets, and they had to pick one or two niches. On the education side, there was education in Africa – particularly the role of school principals, because there was empirical evidence that a good principal could have a transformative impact on a school. There was an African educational network which the division worked with very closely. Then there was also a code of good practice on overseas recruitment, both for teachers and for health workers. It was quite controversial but they did some interesting work on that.

SO: My last question is on sport. As a former first class cricketer and somebody who played rugby for their Cambridge college, how important is sport to the Commonwealth?

IC: Tremendously. Not only to the Commonwealth, but for human beings. Particularly team sport. I'm a massive believer in team sport. I was lucky to go to good universities, but I learnt as much – in terms of soft skills – on the playing fields. Captaining a cricket or a rugby team, you learn so much more about managing people and all the kind of soft skills needed to build a collective effort, to achieve a common objective, which is what you have in a workplace all the time. Much more than the economics I learnt at Cambridge or Sussex, playing team sports was more important and useful when it came to the soft skills that are vital in the workplace.

SO: How important are the Commonwealth Games?

IC: Very, I think. Again, I think celebrations of high performance sport, high performing athletes, it's a really feel good thing. Mandela recognised this, as you know – putting on Francois Pienaar's No 6 rugby jersey in the 1995 World Cup.

SO: That was enormously important to a sports-mad nation like South Africa, where rugby is a religion.

IC: It was one way of drawing people together. As a Tamil, Muttiah Muralitharan has played a somewhat similar role in Sri Lanka.

SO: I was asked – in a rather frivolous way – on a BBC drama programme recently, "Why couldn't America join the Commonwealth?" I said, "Well, could you talk about cricket?"

IC: [*Laughter*] Well, I don't know whether the name of the late Dr Gamani Corea means anything to you. A very eminent Sri Lankan. He was Director-General of UNCTAD in its halcyon days, and he also served on one or two of the Commonwealth expert groups in the 1980s. He came to the Edinburgh

CHOGM. He had retired, but President Chandrika Kumaratunga persuaded him to be part of her delegation. He said, "You know, this is the first Commonwealth summit I've been to and it's quite fun." He said, "The great thing about the CHOGM is that you crack a joke and everybody gets it, [Laughter] from all countries. It's not so if you are in the UN or somewhere else." [Laughter] At least the elites from the different countries who are there at the CHOGM get it. [Laughter]

SO: Indrajit, that is an excellent place to stop. Thank you very much indeed.

[END OF AUDIOFILE]